Federal Communications Commission 445 12<sup>th</sup> St., S.W. Washington, D.C. 20554

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DA 12-375

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WIRELINE COMPETITION BUREAU SEEKS COMMENT ON THE PETITION OF CONSOLIDATED COMMUNICATIONS, FRONTIER, AND WINDSTREAM FOR CONVERSION OF AVERAGE SCHEDULE AFFILIATES TO PRICE CAP REGULATION AND FOR LIMITED WAIVER RELIEF

WC Docket No. 12-63

**COMMENTS: April 9, 2012** 

**REPLY COMMENTS: April 24, 2012** 

On March 1, 2012, Consolidated Communications, Inc., Frontier Communications Corporation, and Windstream Corporation (Petitioners) filed a petition seeking approval to convert their average schedule affiliates to price cap regulation and for limited waiver relief. Specifically, the Petitioners request authority to "convert each of their average schedule ILEC affiliates . . . from an average schedule company to price cap regulation no later than July 1, 2012, and, to the extent necessary, limited waivers of the applicable Part 61 and 69 regulations, including Section 61.41(a)(3)." Petitioners propose that on July 1, 2012, the Subsidiaries' average schedule study areas will withdraw from the National Exchange Carrier Association, Inc. (NECA), Tariff No. 5, and each carrier will file its own interstate access tariff using the switched and special access rates in effect in the NECA tariff as of January 1, 2012.<sup>3</sup> They argue that the requested conversion will put Petitioners in a similar regulatory position to other comparable price cap carriers and provide administrative efficiencies for the holding companies.<sup>4</sup> Petitioners further contend that "[t]his conversion to price cap regulation would serve the public interest and achieve the goals of the pricing and universal service policies implemented in the CALLS Order and USF/ICC Transformation Order." We specifically invite parties to comment on whether the NECA switched and special access rates are the appropriate rates to use in initializing rates for the average schedule Subsidiaries.

Interested parties may file comments on or before April 9, 2012, and reply comments on or before April 24, 2012. All pleadings are to reference WC Docket No. 12-63. Comments may be filed

<sup>&</sup>lt;sup>1</sup> See Joint Petition of Price Cap Holding Companies for Conversion of Average Schedule Affiliates to Price Cap Regulation and for Limited Waiver Relief, WC Docket No. 12-63 (filed Mar. 1, 2012) (*Petition*).

<sup>&</sup>lt;sup>2</sup> Id. at 1. See generally 47 C.F.R. Parts 61 and 69.

<sup>&</sup>lt;sup>3</sup> Petition at 6.

<sup>&</sup>lt;sup>4</sup> *Id*. at 2.

<sup>&</sup>lt;sup>5</sup> Id. at 7 (citing Access Charge Reform; Price Cap Performance Review for Local Exchange Carriers, Sixth Report and Order, 15 FCC Rcd 12962 (2000) ("CALLS Order"), aff'd in part, rev'd in part and remanded in part, Texas Office of Public Util. Counsel v. FCC, 265 F.3d 313 (5th Cir. 2001), on remand, 18 FCC Rcd 14976 (2003); Connect America Fund et al., WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) (USF/ICC Transformation Order), pets. for review pending, Direct Commc'ns Cedar Valley, LLC v. FCC, No. 11-9581 (10th Cir. filed Dec. 18, 2011) (and consolidated cases)).

using the Commission's Electronic Comment Filing System (ECFS).<sup>6</sup> Two courtesy copies must be delivered to Douglas Slotten, Federal Communications Commission, Wireline Competition Bureau, Pricing Policy Division, 445 12th Street, SW, Room 5-A233, Washington, DC 20554, or via e-mail at Douglas.slotten@fcc.gov.

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: <a href="http://fjallfoss.fcc.gov/ecfs2/">http://fjallfoss.fcc.gov/ecfs2/</a>.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12<sup>th</sup> St., SW, Room TW-A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.
- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12<sup>th</sup> Street, SW, Washington DC 20554.

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This Public Notice establishes certain procedural requirements relating to consideration of the Petition. This matter shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules.<sup>7</sup> Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentations must contain summaries of the substance of the presentations and not merely a listing of the subjects discussed. More than a one- or two-sentence description of the views and arguments presented generally is required.<sup>8</sup> Other rules pertaining to oral and written *ex parte* presentations in permit-but-disclose proceedings are set forth in section 1.1206(b) of the Commission's rules.<sup>9</sup>

For further information regarding this proceeding, contact Douglas Slotten, Pricing Policy Division, Wireline Competition Bureau, (202) 418-1572, or via e-mail at douglas.slotten@fcc.gov.

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<sup>&</sup>lt;sup>6</sup> See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

<sup>&</sup>lt;sup>7</sup> See 47 C.F.R. §§ 1.1200, 1.1206.

<sup>&</sup>lt;sup>8</sup> See 47 C.F.R. § 1.1206(b).

<sup>&</sup>lt;sup>9</sup> See id.